

**Audit & Assurance Committee Chair’s Highlight Report to Council of Governors
(Meeting of the Audit Committee held on 15th June 2023)**

Subject:	Audit & Assurance Committee (AAC) Report	Date: 15 th June 2023
Prepared By:	Graham Ward – AAC Chair	
Approved By:		
Presented By:	Graham Ward – AAC Chair	
Purpose		
	Assurance	

Matters of Concern or Key Risks to Escalate	Major Actions Commissioned / Work Underway
<ul style="list-style-type: none"> ▪ <u>Internal Audit</u> – Implementation of internal audit recommendations is still problematic, and this looks to be continuing with a first-time implementation rate of only 58% to date within 2023/24. ▪ <u>External Audit</u> – A higher level of testing was undertaken this year on management override of controls. A small number of recommendations have been made, all of which are being implemented. 	<ul style="list-style-type: none"> ▪ <u>Counter Fraud</u> – A paper on ‘lessons learnt’ from recent counter fraud investigations is to be prepared. ▪ <u>Internal Audit</u> - Closer tracking of internal audit recommendations to be undertaken this year (from agreed timescale through delivery and embedded check) ▪ <u>No Purchase Order No Pay</u> – To be monitored through Finance Committee (trajectory for improvement v actual by value and number)
Positive Assurances to Provide	Decisions Made
<ul style="list-style-type: none"> ▪ <u>Counter Fraud</u> – all 14 measures of the Functional Standard Requirement were rated as Green for the second year running. ▪ <u>Head of Internal Audit Opinion</u> – Overall Significant Assurance was given by 360 Assurance, however continued concern on delivery of first follow-up actions meant that only Moderate Assurance was again given. ▪ <u>External Audit</u> – Only one uncorrected audit misstatement (£410K) was reported, and KPMG also reported an unqualified audit assurance report and one amber risk assessment (financial sustainability) under the Value for Money assessment (all others Green). 	<ul style="list-style-type: none"> ▪ <u>Annual Accounts (including Accounting Officer’s Statement, TAC Certificate, Going Concern Assessment and Management Representation Letter)</u> – received and discussed, agreed to recommend all for approval at Board. ▪ <u>Annual Report (including AGS)</u> – received and discussed, agreed to recommend approval at Board. ▪ <u>Losses and Special Payments</u> - Approved

Comments on Effectiveness of the Meeting

- All papers were of a high quality and clear which helped the meeting run smoothly.
- Audit teams (internal and external), together with the finance team were thanked for all the work undertaken.